

The US Department of Education (ED) has put out the following statement in response to American Recovery and Reinvestment Act (ARRA). In addition, ED has established a website (<http://www.ed.gov/policy/gen/leg/recovery/>), which offers the press release, a more detailed fact sheet, and links to budget information, including state-by-state allocations for formula-based programs, as well as a brief "video statement" by Secretary Arne Duncan.

Also, as an additional resource, be sure to reference the ARRA website: www.recovery.gov. This site is intended to offer the details of the act, provide transparency on how the funds will be used, as well as ensure accountability for the effective use of the funds. There are already projections -- based on ARRA language -- of the effect on jobs state-by-state.

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DUNCAN HAILS PASSAGE OF PRESIDENT'S STIMULUS PACKAGE
Cites 'Historic Opportunity to Create Jobs and Advance Reform'

Education Secretary Arne Duncan today called the American Recovery and Reinvestment Act of 2009 (ARRA) a "Historic opportunity to create jobs and advance education reform." He credited the "leadership of the President and the Congress in laying groundwork for a generation of education reform and economic opportunity."

Duncan emphasized the urgency of distributing the funds to states on an aggressive timetable in order to avert layoffs. Citing a University of Washington study showing almost 600,000 education jobs at risk of state budget cuts, Duncan said that his office will publish timelines and initial guidance within a week so that states and districts can plan accordingly.

The ARRA provides more than \$100 billion in education funding and college grants and tuition tax credits, as well as billions more for school modernization. It includes:

Direct Funding for Education -- \$77 Billion:

- \$40 billion in state stabilization funds to help avert education cuts. Funds will be given to states in exchange for a commitment to begin advancing education reforms. School systems have discretion to use some of this money for school modernization.

- \$13 billion for Title I, including \$3 billion for Title I school improvement programs.

- \$12 billion for Individuals with Disabilities Education Act (IDEA) programs.

-- \$5 billion in incentive grants to be distributed on a competitive basis to states that most aggressively pursue higher standards, quality assessments, robust data systems and teacher quality initiatives. This includes \$650 million to fund school systems and non-profits with strong track records of improving student achievement.

-- \$5 billion for Early Childhood, including Head Start, early Head Start, child care block grants, and programs for infants with disabilities. (Includes Department of Health and Human Services programs).

-- \$2 billion for other education investments, including pay for performance, data systems, teacher quality investments, technology grants, vocational rehab, work study and Impact Aid.

College Affordability -- \$30.8 Billion:

-- \$17 billion to close the shortfall in the Pell Grant program and boost grant amounts by \$500 to \$5,350 in the first year and more in the second year, serving an estimated seven million low- and moderate-income young people and adults.

-- \$13.8 billion to boost the tuition tax credit from \$1,800 to \$2,500 for families earning up to \$180,000.

Additional School Modernization - (up to) \$33.6 Billion:

-- An additional \$8.8 billion in state stabilization funds are available for other state services including education. School modernization is an eligible use of this funding.

-- Authority for states and school systems to issue \$24.8 billion dollars in bonds over the next 10 years for renovation, repairs and school construction that will be retired through a combination of local, state and federal dollars.

"These investments are the surest way to provide long-term stability in to our economy," Duncan said. "With these funds, we will educate our way to a stronger economy."

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